GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

Industries & Commerce Department - Expansion Proposal (Phase-III) of M/s. Apollo Tyres Limited for establishment of Passenger Car Radial and Truck / Bus Radial manufacturing facility at Chinapanduru (V), Varadaiahpalem (M), Chittoor District with an investment of INR 1,110 Crore and employment generation potential for 500 persons - Extending certain special package of incentives- Orders - Issued.

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INDUSTRIES & COMMERCE (P&I) DEPARTMENT

G.O.MS.No. 160 Dated: 06-09-2025

Read the following:

1. G.O.Ms. No. 45, Ind. & Comm. (P&I) Dept. dt:13.03.2017.
2. Proposal of M/s. M/s. Apollo Tyres Limited dt:10.12.2024.
3. Minutes of the 13th State Investment Promotion Committee meeting held on 22.08.2025.
4. Minutes of the 10th State Investment Promotion Board meeting held on 28.08.2025.

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ORDER:

In the G.O. 1st read above, orders were issued extending certain special package of incentives to M/s Apollo Tyres Limited for their proposed 1st phase of Tyre manufacturing facility in Chittoor District with an investment of Rs 525 Crore with a potential to create employment to 450 people.

2. In the reference 2nd read above, M/s Apollo Tyres Limited have requested for grant of tailor-made incentives for establishment of Passenger Car Radial and Truck/ Bus Radial manufacturing facility (expansion) at Chinapanduru (V), Varadaiahpalem (M), Chittoor District, Andhra Pradesh with an investment of INR 1,110 Crore and employment generation potential for 500 persons. The Phase- wise investment and employment particulars are given below:

#	Phase	Location	DCP	Investment (INR Cr.)	Employment
1	Phase-I	Chinapanduru (V) Varadalahpalem (M) Chittoor District	Agu-2020	1,748.18	600
2	Phase-2		Mar-2022	2,936.79	1,200
3	Phase-3		Dec-2027 (expected)	1,110.00	500

The Fixed Capital Investment of three phases are given below:-

S. No	Component	Phase-1	Phase-II	Phase-III	Total
1	Land & Land Development	24.36	75.10	-	99.46
2	Building & Civil Works	350.90	221.28	237.50	809.68
3	Plant & Machinery	938.06	2,263.88	797.00	3,998.94
4	Plant & Machinery for onsite Solar Power Generation			20.00	20.00
	Fixed Capital Investment	1,313.32	2,560.27	1,054.50	4,928.09
5	Pre-operatives expenses	79.60	48.18	55.50	183.28
6	Interest on borrowed capital	123.73	51.21		174.94
7	EPCG benefit	231.52	277.13		508.65
	Total (INR Cr)	1,748.18	2,936.79	1,110.00	5,794.97

3. The project implementation milestones given by the firm for their Phase-III Project is as follows.

Activity	Expected start date	Expected completion date
Commencement of Construction	July-2025	Sep-2026
Placement of orders for equipment	July-2025	Janu-2026
Commencement of Machinery erection	Oct-2026	Dec-2027
Commencement of Commercial Production	Dec-2027	

4. Accordingly, the proposal from Director of Industries, A.P. was placed before the State Investment Promotion Board (SIPB) meeting held on 28.08.2025 with recommendations of State Investment Promotion Committee (SIPC) in its meeting held on 22.08.2025. The SIPB after detailed discussion, has recommended the proposal of M/s. Apollo Tyres Limited for establishment of Passenger Car Radial and Truck/ Bus Radial manufacturing facility (expansion) at Chinapanduru (V), Varadaiahpalem (M), Chittoor District, Andhra Pradesh with an investment of INR 1,110 Crore and employment generation potential for 500 persons.

5. Government, after careful consideration of the decision of the State Investment Promotion Board, hereby extend certain special package of incentives to M/s. Apollo Tyres Limited for establishment of Passenger Car Radial and Truck/ Bus Radial manufacturing facility (expansion) with an investment of INR 1,110 Crore and employment generation potential for 500 persons at Chinapanduru (V), Varadaiahpalem (M), Chittoor District, up to

30.79% of Fixed Capital Investment, under 'AP Industrial Development (4.0) 2024-29', upon investment of INR 1,110 Crore by December-2027:

i. 35% investment subsidy up to INR 285.95 Cr on Eligible Fixed Capital Investment of INR 817 Crore in Phase-III (realized by December-2027), to be disbursed over a period of 10 years from DCP.
ii. Reimbursement of INR 1 per unit on power tariff for 5 years from DCP, limited to INR 32.21 Crore.
iii. Supply of industrial water at a concessional rate of INR 40/ kilo litre for 5 years from DCP, limited to INR 6.44 Crore.

6. The Special Chief Secretary/Principal Secretary/Secretary of the concerned departments such as Power, Water Resources Department, Industry and Commerce (CIP), Skill Development Department, Revenue (Land, Registration and Stamps), Finance Department and other departments concerned are requested to take further necessary action accordingly, duly instructing their HODs and PSUs under them for expeditious grounding and implementation of the project.

7. The Vice Chairman & Managing Director, Andhra Pradesh Industrial Infrastructure Corporation Limited, Mangalagiri and the Director of Industries, Andhra Pradesh shall take further necessary action accordingly in coordination with the line Departments.

8. As envisaged under the Andhra Pradesh Industrial Development Policy (4.0) 2024-29, the Director of Industries shall assign the handholding for facilitations of all the inputs as required for expeditious grounding and implementation of this project to a senior level officer and should try to ensure that the project is implemented as per the expected timelines, duly facilitating the required approvals and clearances under the Single Desk Portal 2.0 and duly implementing the project as per the intended spirit of the Speed of Doing Business.

9. The Director of Industries, A.P., Mangalagiri should ensure that the PMU with the Department monitors the progress of the project, duly bringing the issues that are to be resolved, to the respective line departments, from time to time and resolve the issues and intimate the status of the progress of the project to the Government from time to time and bring the issues for resolution at the government end, if any, for smooth execution of the project.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

N.YUVARAJ
SECRETARY TO GOVERNMENT

To
The Vice Chairman & Managing Director, APIIC Ltd., Mangalagiri.
The Director of Industries, A.P., Mangalagiri.
The M/s. Apollo Tyres Limited.
The Special CS/Principal Secretary/Secretary of the concerned department

viz,
The Revenue (Land, Registration and Stamps) Department,
The Finance Department,
The PR&RD Department,
The MA&UD Department,
The EFS&T Department,
The Energy Department,
The Water Resource Department,
The Roads and Buildings Department,
The Skill Development Department,
The Infrastructure and Investment Department,
The Collector & District Magistrate, Chittor District.
Copy to:
The Finance (FMU-I&I, Energy and I&C) Department.
The Revenue (CT) Department.
The Law (H) Department
The Accountant General, Andhra Pradesh.
The Chief Commissioner of Taxes.
The P.S. to Secretary to Chief Minister.
The P.S. to Hon'ble Minister (Ind. &Comm. Food Processing).
The P.S. to Chief Secretary to Government of Andhra Pradesh.
The P.S. to Secretary to Government & CIP, Industries& Commerce Department.
The G.A. (Cabinet.I) Department.
SC/SF. (2957008)

//FORWARDED::BY ORDER//

SECTION OFFICER